



United States  
General Accounting Office  
Washington, D.C. 20548

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Office of the General Counsel

B-282864

June 9, 1999

The Honorable John McCain  
Chairman  
The Honorable Ernest F. Hollings  
Ranking Minority Member  
Committee on Commerce, Science, and Transportation  
United States Senate

The Honorable Bud Shuster  
Chairman  
The Honorable James L. Oberstar  
Ranking Minority Member  
Committee on Transportation and Infrastructure  
House of Representatives

Subject: Department of Transportation: Credit Assistance for Surface Transportation Projects

Pursuant to section 801(a)(2)(A) of title 5, United States Code, this is our report on a major rule promulgated by Department of Transportation (DOT), entitled "Credit Assistance for Surface Transportation Projects" (RIN: 2125-AE49). We received the rule on May 27, 1999. It was published in the Federal Register as a final rule on June 2, 1999. 64 Fed. Reg. 29742.

The final rule implements the Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA) to provide credit assistance to surface transportation projects. The Act authorizes the Department to provide secured (direct) loans, lines of credit, and loan guarantees to public and private project sponsors of eligible surface transportation projects.

Enclosed is our assessment of the DOT's compliance with the procedural steps required by section 801(a)(1)(B)(i) through (iv) of title 5 with respect to the rule. Our review indicates that DOT complied with the applicable requirements.

On January 14, 1999, GAO issued a report entitled: SURFACE TRANSPORTATION: High Speed Rail Projects in the United States (GAO/RCED-99-44) which discussed the TIFIA program.

If you have any questions about this report, please contact James W. Vickers, Assistant General Counsel, at (202) 512-8210. The official responsible for GAO evaluation work relating to the subject matter of the rule is John Anderson, Director, Transportation Issues. Mr. Anderson can be reached at (202) 512-2834.

Sincerely yours,

Robert P. Murphy  
General Counsel

Enclosure

cc: Ms. Joanne Petrie  
Senior Attorney  
Department of Transportation

ANALYSIS UNDER 5 U.S.C. § 801(a)(1)(B)(i)-(iv) OF A MAJOR RULE  
ISSUED BY  
DEPARTMENT OF TRANSPORTATION  
ENTITLED  
"CREDIT ASSISTANCE FOR  
SURFACE TRANSPORTATION PROJECTS"  
(RIN: 2125-AE49)

(i) Cost-benefit analysis

DOT has evaluated the economic impact of the final rule. However, because the number, nature, and size of the projects to be assisted will not be known until the specific project applicants come forward, the analysis is an estimate.

The TIFIA is authorized to receive \$530 million of budget authority to support up to \$10.6 billion in nominal amounts of credits.

(ii) Agency actions relevant to the Regulatory Flexibility Act, 5 U.S.C. §§ 603-605, 607, and 609

The Secretary of Transportation has certified that the final rule will not have a significant economic impact on a substantial number of small entities.

(iii) Agency actions relevant to sections 202-205 of the Unfunded Mandates Reform Act of 1995, 2 U.S.C. §§ 1532-1535

The final rule will not impose an intergovernmental or private sector mandate, as defined in title II of the Act, of over \$100 million in any one year.

(iv) Other relevant information or requirements under acts and executive orders

Administrative Procedure Act, 5 U.S.C. §§ 551 et seq.

The final rule was issued using the notice and comment procedures contained at 5 U.S.C. 553. On February 8, 1999, a Notice of Proposed Rulemaking was published in the Federal Register. 64 Fed. Reg. 5996. The comments received from various transportation authorities and private concerns are discussed in the preamble to the final rule.

**Paperwork Reduction Act, 44 U.S.C. §§ 3501-3520**

The final rule does not contain any information collections which are required to be approved by the Office of Management and Budget under the Paperwork Reduction Act.

**Statutory authorization for the rule**

The final rule is promulgated under the authority contained in sections 1501 et seq. of the Transportation Infrastructure Finance and Innovation Act of 1998, Pub. L. 105-178, 112 Stat. 107, 241, as amended; 23 U.S.C. 181-189 and 315.

**Executive Order No. 12866**

The final rule has been determined to be an “economically significant” regulatory action under the Order and has been reviewed and approved by the Office of Management and Budget.